



IIFL WEALTH MANAGEMENT LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF INFORMATION OR EVENTS

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1. SCOPE AND PURPOSE

In accordance with the provisions of regulation 30 and 51 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, IIFL Wealth Management Limited recognizes the need to frame the policy for determination of Materiality of Information or Events. In this regard, the Board of Directors of IIFL Wealth Management Limited has adopted the following policy and procedures with regard to determination of Material Information or events.

The Company endeavors to attain high level of transparency, accountability and equity with the ultimate objective of providing maximum customer satisfaction & increasing long term shareholders value keeping in view the needs and interest of all stakeholders. To achieve these objectives, the Company hereby notifies this Policy for Determination of Materiality of Information or Events.

2. APPLICABILITY

This policy shall be applicable to all the events in the Company, as and when they fall under the criteria enumerated in the policy.

3. DEFINITIONS

- a. "Act" means the Securities and Exchange Board of India Act, 1992, including any statutory modifications or re-enactment thereof.
- b. "Archival Policy" means the Policy of the Company on Preservation of documents / Archival policy.
- c. "Board" means the Board of Directors of IIFL Wealth Management Limited.
- d. "Company" means IIFL Wealth Management Limited.
- e. " Compliance Officer" means the Company Secretary of the Company
- f. "Key Managerial Personnel" means Key Managerial Personnel as defined in sub-section (51) of Section 2 of the Companies Act, 2013.
- g. 'non-convertible debt securities' which is 'debt securities' as defined under regulation 2(1)(e) of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- h. "Officer" shall have the same meaning as defined under the Companies Act, 2013.
- i. "Regulation" means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modifications or re-enactment thereof.
- j. "Subsidiary" means a subsidiary as defined under sub-section (87) of Section 2 of the Companies Act, 2013.
- k. "Specified Securities" means 'equity shares' and 'convertible securities' as defined under clause (zj) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

All other words and expressions used and not defined in this Policy or the Regulation, but defined in the Act or the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and / or the rules and regulations made there under, shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

4. EVENTS WHICH SHALL BE CONSIDERED DEEMED MATERIAL

The following events/information shall be considered as deemed material:

- A. The events with respect for specified securities, mentioned in Para A of Part A and Part B of schedule III of the Regulation [List of the same is enclosed as Annexure A of this Policy] and any subsequent modifications thereto, shall be material events and the Company shall make disclosure of such events.
- B. The events with respect to Non-convertible Debt Securities, mentioned in Part B of schedule III of the Regulation [List of the same is enclosed as Annexure B of this Policy] and any subsequent modifications thereto, shall be material events and the Company shall make disclosure of such events.

5. EVENTS WHICH SHALL BE CONSIDERED AS MATERIAL SUBJECT TO APPLICATION OF THE MATERIALITY GUIDELINES

The events with respect to specified securities mentioned in Para B of Part A of Schedule III of the Regulation [List of the same is enclosed as Annexure C of this Policy] and any subsequent modification thereto, shall be disclosed, based on application of following materiality guidelines as specified in Regulation 30(4):

MATERIALITY GUIDELINES

- i. The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- ii. The omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date.
- iii. In cases where the aforesaid criteria are not applicable, an event/information may be treated as being material if in the opinion of the Board, the event / information is considered material.

In certain instances, materiality would depend upon the stage of discussion, negotiation or approval. In that case, the events/information can be said to have occurred upon receipt of approval of the Board and/or upon the receipt of approval of both the Board and the Shareholders.

However, for events where the price sensitivity factor is involved: e.g. - decision on declaration of dividends etc., the disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval.

In certain instances, where no such discussion, negotiation or approval is involved and based on preliminary information about the events/information, cannot reasonably determine whether information is material, can be said to have occurred when the Company becomes aware of the events/information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

6.
DISCLOSURES:

- i. The Company shall disclose this policy on its website.
- ii. All other events mentioned under Clause 4 and 5 (Please refer Annexure A to C) above shall be disclosed by the Company as soon as reasonably possible but not later than 24 hours from the occurrence of a particular event.
- iii. In case the disclosure is made after 24 hours of occurrence of the event or information, the Company shall, along with such disclosures provide explanation for delay.
- iv. Provided further that disclosure with respect to events specified in sub-para 4 of Para A of Schedule III of the regulation shall be made within thirty minutes of the conclusion of the Board Meeting.
- v. The Regulation further provides that, the Company shall, with respect to disclosures referred to in Regulation 30, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

- vi. All the disclosures made to the Stock Exchange under this Policy shall also be disclosed on the Website of the Company and the same shall be hosted for a minimum period of five years and thereafter as per the preservation of documents and archival policy as adopted by the Company.
- vii. The Company shall also disclose all the events or information with respect to its Subsidiaries which are material for the Company.
- viii. Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information.
- ix. Company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).
- x. In case where an event occurs or an information is available with the Company, which has not been indicated above, but which may have material effect on it, the Company shall make adequate disclosures in regard thereof.

7. AUTHORISATION

The Board of the Company has severally authorized Chairman, Managing Director, Company Secretary, Chief Financial Officer, group Chief Compliance Officer for the purpose of determining the materiality of an event or information and for making disclosures to Stock exchange(s) under Regulation 30.

8. AMENDMENTS TO THE POLICY

The Board shall review and amend this Policy as and when required.

Any subsequent amendment / modification in the Regulation and /or other applicable laws in this regard shall automatically apply to this Policy.

ANNEXURE A

Disclosure of Events or Information as Specified In Para A of Part A of Schedule III to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Events to be disclosed without any application of the guidelines for materiality as specified in sub- regulation (4) of regulation (30):

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the listed entity or any other restructuring.

Explanation.- For the purpose of this sub-para, the word

'acquisition' shall mean, -

- i. acquiring control, whether directly or indirectly; or,
 - ii. acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that -
 - a) the listed entity holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;
 - b) there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.
2. Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.
3. Revision in Rating(s).
4. Outcome of Meetings of the board of directors:

The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:

- a) dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;

- b) any cancellation of dividend with reasons thereof;
 - c) the decision on buyback of securities;
 - d) the decision with respect to fund raising proposed to be undertaken
 - e) increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
 - f) reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;
 - g) short particulars of any other alterations of capital, including calls;
 - h) financial results;
 - i) decision on voluntary delisting by the listed entity from stock exchange(s).
5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
 6. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
 7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
 8. Appointment or discontinuation of share transfer agent.
 9. Corporate debt restructuring.
 10. One time settlement with a bank.
 11. Reference to BIFR and winding-up petition filed by any party / creditors.

12. Issuance of Notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the listed entity.
13. Proceedings of Annual and extraordinary general meetings of the listed entity.
14. Amendments to memorandum and articles of association of listed entity, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors.

ANNEXURE-B

Disclosure of Events or Information as Specified in Part B of Schedule III to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Non-Convertible Debt Securities

(1) expected default in timely payment of interests or redemption or repayment amount or both in respect of the non-convertible debt securities and also default in creation of security for debentures 74 as soon as the same becomes apparent;

(2) any attachment or prohibitory orders restraining the listed entity from transferring non-convertible debt securities from the account of the registered holders along-with the particulars of the numbers of securities so affected , the names of the registered holders and their demat account details;

(3) any action which shall result in the redemption, conversion, cancellation, retirement in whole or in part of any non-convertible debt securities;

(4) any action that shall affect adversely payment of interest on non-convertible debt securities including default by issuer to pay interest on non-convertible debt securities or redemption amount and failure to create a charge on the assets;

(5) any change in the form or nature of any of its non-convertible debt securities or non-convertible redeemable preference shares that are listed on the stock exchange(s) or in the rights or privileges of the holders thereof and make an application for listing of the securities as changed, if the stock exchange(s) so require;

(6) any changes in the general character or nature of business / activities, disruption of operation due to natural calamity, and commencement of commercial production / commercial operations;

(7) any events such as strikes and lock outs which have a bearing on the interest payment principal repayment capacity;

(8) details of any letter or comments made by debenture trustees regarding payment/non-payment of interest on due dates, payment/non-payment of principal on the due dates or any other matter concerning the security, listed entity and /or the assets along with its comments thereon, if any;

(9) delay/ default in payment of interest / principal amount /redemption for a period of more than three months from the due date;

(10)failure to create charge on the assets within the stipulated time period;

ANNEXURE-B

(11) any instance(s) of default/delay in timely repayment of interests or principal obligations or both in respect of the debt securities including, any proposal for re-scheduling or postponement of the repayment programmes of the dues/debts of the listed entity with any investor(s)/lender(s).

Explanation.- For the purpose of this sub-para, 'default' shall mean Non-payment of interest or principal amount in full on the pre-agreed date and shall be recognized at the first instance of delay in servicing of any interest or principal on debt

(12)any major change in composition of its board of directors, which may amount to change in control as defined in Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(13)any revision in the rating;

(14)the following approvals by board of directors in their

meeting: (a) the decision to pass any interest payment;

(b) short particulars of any increase of capital whether by issue of bonus securities through

capitalization, or by way of right securities to be offered to the debenture holders, or in any other way;

(15)all the information, report, notices, call letters, circulars, proceedings, etc concerning non- convertible redeemable preference shares or non convertible debt securities;

(16)any other change that shall affect the rights and obligations of the holders of non-convertible debt securities, any other information not in the public domain necessary to enable the holders of the listed securities to clarify its position and to avoid the creation of a false market in such listed securities or any other information having bearing on the operation/performance of the listed entity as well as price sensitive information.

ANNEXURE C

Disclosure of Events or Information as Specified In Para B of Part A of Schedule III to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Events which shall be disclosed upon application of the guidelines for materiality referred sub- regulation (4) of regulation (30).

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).
3. Capacity addition or product launch.
4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
5. Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
6. Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
10. Options to purchase securities including any ESOP/ESPS Scheme.

11. Giving of guarantees or indemnity or becoming a surety for any third party.

12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

Disclosure of Events or Information as Specified In Para C and Para D of Part A of Schedule III to the SEBI (Listing Obligations and Disclosure Requirements) Regulations,

2015. PARA-C

Any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.

PARA-D

Without prejudice to the generality of para (A), (B) and (C) of Part A of Schedule III, the listed entity may make disclosures of event/information as specified by SEBI from time to time.